

14175-A
14175-B

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N.W.

WASHINGTON, D. C.

20006-2973

March 16, 1984

RECORDATION NO. 14175-A

MAR 16 1984 - 2 15 PM

INTERSTATE COMMERCE COMMISSION

MAR 16 1984 - 2 15 PM

INTERSTATE COMMERCE COMMISSION

OF COUNSEL
JESS LARSON
JOHN L. INGOLDSBY
URBAN A. LESTER

CABLE ADDRESS
"ALVORD"

TELEPHONE
AREA CODE 202
393-2266

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440348 CDAA UI

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD
ALBERT H. GREENE
CARL C. DAVIS*
CHARLES T. KAPPLER
JOHN H. DOYLE
MILTON C. GRACE*
GEORGE JOHN KETO**
RICHARD N. BAGENSTOS

* NOT A MEMBER OF D.C. BAR
** ALSO A MEMBER OF OHIO BAR

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are three fully executed counterparts each of 1) Amendment to Security Agreement dated as of March 1, 1984 and 2) Collateral Assignment dated as of March 1, 1984. As secondary documents the enclosed relate to a Security Agreement dated as of September 29, 1983, which was duly filed and recorded at 9:35 a.m. on September 30, 1983 and assigned Recordation Number 14175.

A general description of the railroad equipment covered by the enclosed documents is set forth in Schedule A attached hereto and made a part hereof.

The names and addresses of the parties to the enclosed documents are:

No. 4-076A094
MAR 16 1984
Date
Fee \$ 20.00
Debtor/
Assignor: James-Furman & Company
503 High Street
P.O. Box 568
Oregon City, Oregon 97045
Secured
Party/
Assignee: California Group Services
1717 North California Street
P.O. Box 8012
Walnut Creek, California 94598

The undersigned is agent for the Debtor for the purpose of submitting the enclosed documents for filing and recordation.

Countersigned by C.T. Kappler

MAR 16 2 29 PM '84
FEE OPERATION BR.

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
March 16, 1984
Page Two


Kindly return the stamped copies of the enclosed documents not needed for your records to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

Also enclosed is a check in the amount of \$20 payable to the order of the Interstate Commerce Commission covering the required recordation fees.

A short summary of the enclosed secondary documents to appear in the Commission's Index is as follows;

Amendment to Security Agreement and Collateral Assignment, both dated as of March 1, 1984, and relating to Security Agreement dated as of September 29, 1983 between James-Furman & Company, Debtor, and California Group Services, Secured Party, covering one hundred fifty (150) railcars bearing road numbers SP 800000 through SP 800149, both inclusive.

Very truly yours,


Charles T. Kappler

S C H E D U L E A

65 42-foot, 100-ton railcars, bearing road numbers SP800000 through SP800064, inclusive;

35 52-foot, 100-ton railcars, bearing road numbers SP800065 through SP800099, inclusive;
and

50 James-Furman railcars, bearing road numbers SP800100 through SP800149.

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

3/16/84

Charles T. Kappler, Esq.
Alvord & Alvord
918 16th St. N.W.
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 3/16/84 at 2:35pm and assigned re-recording number(s). 14293 & 14293-A, 14175-A & 14175-B

Sincerely yours,



JAMES H. BAYNE

Secretary

Enclosure(s)

SE-30
(7/79)

MAR 16 1984 - 2:15 PM

AMENDMENT TO SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

This Amendment to Security Agreement dated as of March 1, 1984 is entered into between JAMES-FURMAN AND COMPANY, and Oregon partnership having its principal place of business at 503 High Street, Oregon City, Oregon 97045 (hereinafter called the "Debtor"), and CALIFORNIA GROUP SERVICES, a California corporation having its principal place of business at 1717 North California Street, Walnut Creek, California 94596 (hereinafter called the "Secured Party").

WHEREAS, Debtor and Secured Party are parties to a security agreement dated as of September 29, 1983 (the "Security Agreement") for the purpose of securing payment and performance of Debtor's obligations and indebtedness to Secured Party under a 16% Secured Note from Debtor to Secured Party dated September 29, 1983; and

WHEREAS, the Security Agreement was filed at the Interstate Commerce Commission and recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on September 30, 1983 at 9:35 A.M., and assigned recordation number 14175 and

WHEREAS, concurrently with the execution and delivery of this Amendment to Security Agreement by Debtor and Secured Party, Debtor and Secured Party are entering into a loan agreement (the "Loan Agreement") providing for additional funding for the purchase and refurbishment of gondola railcars (the "Cars"); and

WHEREAS, the Loan Agreement and associated documents with regard to the Cars make it necessary and desirable for Debtor and Secured Party to amend and supplement the Security Agreement.

Now THEREFORE, Debtor and Secured Party agree as follows:

Article 1. Definitions. Unless otherwise described or defined, the capitalized terms used in this Amendment to Security Agreement shall have the same meaning as the same terms in the Loan Agreement.

Article 2. Amendment of Section 1 of the Security Agreement. Section 1 of the Security Agreement is hereby amended to read as follows:

1. Grant of Security Interest. In consideration of the purchase of the Notes by Secured Party under the Loan Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, Debtor hereby assigns to Secured Party, its successors and assigns, the collateral described in Section 2 below and grants to Secured Party, its successors and assigns, a security interest in the collateral described in Section 2 below (such collateral herein referred

to as the "Collateral"), subject always to the rights, powers, privileges and interests of Lessee under one or more leases, subleases or use agreements entered into between Debtor, or an affiliate of Debtor, as lessor, and a lessee, sublessee or other user of the Collateral (the "Lease").

Article 3. Amendment of Section 2 of the Security Agreement.
Section 2 of the Security Agreement is hereby amended to read as follows:

2. Collateral. The collateral of this Security Agreement is:

(a) the gondola railroad cars described on Section I attached hereto ("Equipment") together with all accessories, equipment, parts and appurtenances appertaining or attached to any thereof, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all thereof, except such thereof as remain the property of lessee under the Lease, together with all the rents, issues, income, profits and avails therefrom.

(b) the Collateral also includes all right, title, interest, claim and demands of James-Furman in, to and under the Lease, including any extensions of the term of the Lease with respect to the Equipment, together with all rights, powers, privileges, options and other benefits of James-Furman under the Lease, including, without limitation:

(i) the immediate and continuing right to receive and collect all rental and loss value payments, insurance proceeds, condemnation awards and other payments, tenders and security now or hereafter payable to or receivable by James-Furman under the Lease pursuant thereof;

(ii) in the case of an Event of Default hereunder, the right to make all waivers and agreements and to enter into any amendments relating to the Lease or any provision thereof; and

(iii) the right to take such action upon the occurrence of an Event of Default under the Lease or an event which, with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the Lease, including the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by James-Furman or any lessor is or may be entitled to do under the Lease;

It being the intent and purpose hereof that the assignment and transfer to Lender of said rights, powers, privileges, options and other benefits shall, except as herein provided, be

effective and operative immediately and shall continue in full force and effect, and Lender shall have the right to collect and receive all rental and loss value payments and other sums for application in accordance with the provisions of the Loan Agreement at all times during the period from and after the date hereof until the indebtedness hereby secured has been fully paid and discharged.

(c) The Car Purchase and Refurbishment Agreement by and between Greenbrier Leasing Corporation and the Debtor relating to the Equipment, as the same may be amended;

(d) any and all proceeds from the collateral as set forth in paragraph (a), (b) and (c) of this Section 2, including rental proceeds, casualty and insurance proceeds.

Article 4. Amendment of Section 3.4 of the Security Agreement. Section 3.4 of the Security Agreement is hereby amended to read as follows:

3.4 Advances by Secured Party. If Debtor shall fail to perform any of Debtor's covenants contained in this Section 3, in the Loan Agreement or in the Lease, or the Lessee shall fail to perform any of the covenants and agreements contained in the Lease, Secured Party may make advances to perform and observe the same in its behalf (giving notice thereof to Debtor and the Lessee prior to or concurrently with the making of any such advance), but shall be under no obligation so to do; and all sums so advanced shall be forthwith repaid by Debtor, and shall bear interest (to the extent lawful) at the rate of 18% per annum until paid, and any such sums advanced shall constitute part of the Secured Obligations; but no such advance shall be deemed to relieve Debtor from any default hereunder, or Lessee from any default under the Lease.

Article 5. Amendment of Section 5 of the Security Agreement. Section 5 of the Security Agreement is hereby amended as follows:

5. Application of Monies. In the event the Secured Party shall receive any proceeds of insurance maintained by the Debtor or the Lessee in respect of the Equipment, the same shall be held by the Secured Party as part of the Collateral and shall be applied pursuant to the provisions of the Loan Agreement.

Article 6. Amendment of Section 6.1 of the Security Agreement. Section 6.1 of the Security Agreement is hereby amended as follows:

6.1 Event of Default. Any of the following events or conditions shall constitute an Event of Default hereunder:


(a) Debtor shall fail to pay, when due, any part of the principal of, or interest on, any of the Notes; or

(b) Default in the due observance or performance by Debtor of any covenant, condition or agreement to be observed or performed by Debtor under this Security Agreement, the Loan Agreement or the Lease; or

(c) Any representation or warranty made by Debtor herein, in the Loan Agreement, in the Lease, or in any report, certificate, financial or other statement furnished in connection with this Security Agreement, the Loan Documents or the Lease shall prove to be false or misleading in any material respect.

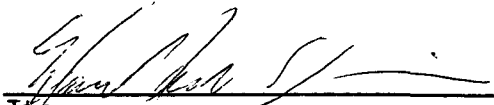
IN WITNESS WHEREOF, the parties hereto have executed this ~~Amendment to Security Agreement~~ dated as of March 1, 1984.

JAMES-FURMAN & COMPANY
"Debtor"



General Partner

CALIFORNIA GROUP SERVICES
"Secured Party"

By 

Its

STATE OF CALIFORNIA,

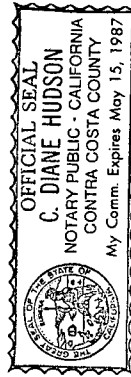
COUNTY OF Contra Costa

ss.

ON March 14, 1984,
before me, the undersigned, a Notary Public in and for said State, personally appeared
William A. Furman

known to me,
to be one of the partners of the partnership that executed the within Instrument, and acknowl-
edged to me that such partnership executed the same.

WITNESS my hand and official seal.



C. Diane Hudson

Notary Public in and for said State.

California
STATE OF ~~OREGON~~)
) SS:
COUNTY OF ~~CLACKAMAS~~)
Contra Costa

On this 12th day of March, 1984, before me personally appeared William A. Furman, to me personally known, who being by me duly sworn, says that he is a partner of JAMES-FURMAN & COMPANY, that said instrument was signed on behalf of said partnership, and he acknowledged that the execution of the foregoing instrument was his free act and deed.

C. Diane Hudson

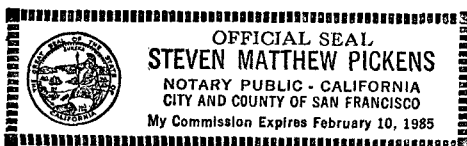
Notary Public

(NOTARIAL SEAL)

My commission expires:

STATE OF CALIFORNIA)
) SS:
COUNTY OF *San Francisco*)

On this 14th day of March, 1984, before me personally appeared D. Fred Strueman to me personally known, who being by me duly sworn, says that he is President of CALIFORNIA GROUP SERVICES, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Steven Matthew Pickens

Notary Public

(NOTARIAL SEAL)

My commission expires:

2/10/85